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# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

4656

June 8, 2015

Rick Havenstrite  
Desert Hawk Gold Corporation  
1290 Holcomb Avenue  
Reno, Nevada 89502

Subject: Approval of Amended Notice of Intention to Commence Large Mining Operations,  
Desert Hawk Gold Corporation, Kiewit Mine, M/045/0078, Tooele County, Utah

Dear Mr. Havenstrite:

The Division of Oil, Gas and Mining (Division) approves the amended Kiewit Notice of Intention to Commence Large Mining Operations (Notice) submitted on April 13, 2015. The following pages have been replaced in the Notice:

New Figures 5 and 19

These figures reflect the Kiewit pit east expansion, and changes in the mining of the Clifton Shears and Herat historic mining areas. These two pages have been stamped approved, and a copy is provided for your records. The revised reclamation cost estimate has also been reviewed by both the Division and the BLM, and it has been agreed that there is an increase in the reclamation liability for lands managed by the BLM and a decrease in monies for the patented land associated with the Clifton Shears and Herat mining areas. The Clifton Shears and Herat areas may not be disturbed until the reclamation surety has been increased to include these areas.

The revised reclamation cost estimate has been stamped approved, and a copy is provided for your records. Please keep the Notice current by submitting changes using Form MR-REV-att, which is located on the Division's web site at [ogm.utah.gov](http://ogm.utah.gov).

Also received with the April 13, 2015, submittal are the following:

1. A page from the Kiewit Mine Project Environmental Assessment (EA). It is unclear if this is to be added to the EA or if it should go somewhere else. Please provide form MR-REV for this page.
2. A figure labeled as "Exploratory Drill Hole Locations." It is unclear if the figure is for information only, but approval for drilling on BLM land is to include approval from the BLM. Please provide more direction.





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The approval of an amendment does not relieve an operator from his responsibility to comply with the applicable statutes, rules, regulations, and ordinances of all local, state and federal agencies with jurisdiction over any aspect of the operator's mining operations.

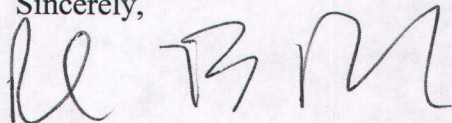
The Division again reiterates the conditions included in the approval letter dated February 21, 2014:

1. Mining at the Clifton Shears will not exceed 20 feet in depth until the operator has completed additional rock characterization. As noted above and requested by the operator, this area along with the Herat area will not be mined at this time until characterization and additional surety is received.
2. No mining may be done at the Yellow Hammer until the operator has completed rock characterization.
3. Mining at the Kiewit will include rock characterization as committed to in the NOI.
4. Backfilling and grading reclamation bond monies will not be released until the heap leach draw down has been completed.

The Division and Desert Hawk Gold have agreed that inconsistencies exist in the Notice of Intention to Commence Large Mining Operations (Notice) and that any inconsistencies that impact regulatory authority decisions will be decided by the Division.

Thank you for your cooperation in finalizing this permitting action. Please call Leslie Heppler at 801-538-5257 if you have any questions in this regard.

Sincerely,



Paul B. Baker  
Minerals Program Manager

PBB: lah: eb

Enclosure: Approved pages

cc: Woodrow Campbell, DEQ (WWCampbell@utah.gov)

Stephen Allen, Salt Lake BLM (SAllen@blm.gov)

Wendy Shubert, Tooele County (wshubert@co.tooele.ut.us)

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